# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)	
	)	
Junk Fax Prevention Act of 2005	)	CG Docket No. 05-338
	)	
Rules and Regulations Implementing the	)	CG Docket No. 02-278
Telephone Consumer Protection Act of 1991	)	
	)	
Petitions for Declaratory Ruling and	)	
Retroactive Waiver of 47 C.F.R.	)	
§ 64.1200(a)(4)(iv) Regarding the	)	
Commission's Opt-Out Notice Requirement	)	
for Faxes Sent with the Recipient's Prior	)	
Express Permission		

# OPPOSITION OF BUCCANEERS LIMITED PARTNERSHIP

The Buccaneers Limited Partnership ("BLP"), by and through its undersigned counsel, hereby submits its opposition to the application for review ("Application") filed by Lawrence S. Brodsky; JT's Frames, Inc.; Career Counseling, Inc. d/b/a Snelling Staffing Services; Big Thyme Enterprises, Inc.; Whiteamire Clinic, P.A., Inc.; Cin-Q Automobiles, Inc.; Medical & Chiropractic Clinic, Inc.; Shaun Fauley; St. Louis Heart Center, Inc.; JWD Automotive, Inc.; Russell M. Holstein, PhD, LLC; and Carradine Chiropractic Center, Inc. (collectively, the "TCPA Plaintiffs"). The TCPA Plaintiffs seek review by the Federal Communications Commission ("Commission") of the Order issued by the Consumer and Governmental Affairs Bureau ("Bureau") on November 2, 2016, granting retroactive waivers of 47 C.F.R. § 64.1200(a)(4)(iv) (the "Opt-out Requirement") to 22 petitioners, including BLP.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Lawrence S. Brodsky; JT's Frames, Inc.; Career Counseling, Inc. d/b/a Snelling Staffing Services; Big Thyme Enterprises, Inc.; Whiteamire Clinic, P.A., Inc.; Cin-Q Automobiles, Inc.; Medical & Chiropractic Clinic, Inc.; Shaun Fauley; St. Louis Heart Center, Inc.; JWD Automotive, Inc.; Russell M. Holstein, PhD, LLC; and Carradine Chiropractic Center, Inc., Application for Review, CG Docket Nos. 05-338, 02-278 (filed Dec. 2, 2016).

<sup>&</sup>lt;sup>2</sup> Junk Fax Prevention Act of 2005, Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, Petitions for Declaratory Ruling and Retroactive Waiver of 47 C.F.R. § 64.1200(a)(4)(iv) Regarding the

As detailed below, the Commission and the Bureau have previously considered and rejected the arguments raised by the TCPA Plaintiffs in the Application. Moreover, the arguments regarding the Commission's authority to grant retroactive Opt-out waivers are mooted by an ongoing appeal in the U.S. Court of Appeals for the District of Columbia Circuit ("D.C. Circuit").<sup>3</sup> For these reasons, the Commission should dismiss the TCPA Plaintiffs' Application.

#### THE COMMISSION HAS REPEATEDLY REJECTED THE TCPA PLAINTIFFS' T. ARGUMENTS CHALLENGING THE COMMISSION'S AUTHORITY TO GRANT RETROACTIVE OPT-OUT WAIVERS.

In the present Application, the TCPA Plaintiffs challenge the Commission's and the Bureau's authority to grant retroactive opt-out waivers, arguing that in doing so the Commission improperly "waives" a statutory private right of action under the TCPA. TCPA Plaintiffs' counsel has repeatedly attempted to make this argument to the Commission without success.<sup>5</sup> The Commission and the Bureau have considered and consistently rejected this argument, and should do so with respect to the Application.<sup>6</sup>

Commission's Opt-Out Notice Requirement for Faxes Sent with the Recipient's Prior Express Permission, CG Docket Nos. 02-278, 05-338, Order, DA 16-1242 (CGB 2016) ("Bureau Order").

<sup>(...</sup>continued)

<sup>&</sup>lt;sup>3</sup> Bais Yaakov of Spring Valley v. FCC, No. 14-1234 (D.C. Cir. 2014).

<sup>&</sup>lt;sup>4</sup> See Application at 5 (citing Beck Simmons, LLC; Physicians Healthsource, Inc.; Radha Geismann, M.D., P.C.; Sandusky Wellness, LLC; Alan L. Laub, DDS, Inc.; North Branch Pizza & Burger Co.; True Health Chiropractic, Inc.; Alan Presswood, D.C., P.C.; Carradine Chiropractic Center, Inc.; Christopher Lowe Hicklin, DC, PLC; J. Barrett Company, Central Alarm Signal, Inc.; St. Louis Heart Center, Inc.; Eric B. Fromer Chiropractic, Inc.; Arnold Chapman; Shaun Fauley; Keith Bunch Associates, LCC; Michael C. Zimmer, D.C., P.C.; Wilder Chiropractic, Inc.; Law Office of Stuart R. Berkowitz; Proex Janitorial, Inc.; Italia Foods, Inc., Application for Review, CG Docket Nos. 02-278, 05-338 (filed Sep. 28, 2015)).

<sup>&</sup>lt;sup>5</sup> See, e.g., TCPA Plaintiffs' Comments on Thirty-One Petitions for Retroactive Waiver Filed on or Before April 30, 2015, CG Docket Nos. 02-278, 05-338 (filed May 22, 2015); Physicians Healthsource, Inc.'s Comments on A-S Medication Solutions LLC's Petition for Waiver of Section 64.1200(a)(4)(iv) of the Commission's Rules and/or Declaratory Relief, CG Docket Nos. 02-278, 05-338 (filed Feb. 13, 2015); TCPA Plaintiffs' Comments on Petitions for Waiver of the Commission's Rule on Opt-Out Notices on Fax Advertisements Filed by Alma Lasers, ASD Specialty Healthcare, Den-Mat Holdings, and Stryker Corp, CG Docket Nos. 02-278, 05-338 (filed Dec. 12, 2014).

<sup>&</sup>lt;sup>6</sup> See Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, Junk Fax Prevention Act of 2005, Application for Review filed by Anda, Inc., Petitions for Declaratory Ruling, Waiver, and/or Rulemaking Regarding the Commission's Opt-Out Requirement for Faxes Sent with the Recipient's Prior Express Permission, CG Docket Nos. 02-278, 05-338, Order, FCC 14-164, at ¶ 21 (2014) ("Anda Commission Order"); Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, Junk Fax Prevention Act of

The Commission may waive any of its rules "for good cause shown." The Commission has determined that inconsistency between a footnote in the *Junk Fax Order*<sup>8</sup> and the language of the Opt-out Requirement itself, combined with a lack of adequate notice that the Opt-out Requirement might be adopted, led to industry confusion regarding how to apply the Opt-out Requirement. Subsequently, in certain cases, the Commission retroactively waived the rule for "solicited" faxes sent before April 30, 2015, finding that doing so serves the public interest: "By addressing requests for declaratory ruling and/or waiver, the Commission is interpreting a statute, the TCPA, over which Congress provided us authority as the expert agency. Likewise, the mere fact that the TCPA allows for private rights of action based on violations of our rules implementing that statute in certain circumstances does not undercut our authority, as the expert agency, to define the scope of when and how our rules apply." Thus, contrary to the TCPA Plaintiffs' argument, the Commission's decision to grant a retroactive opt-out waiver is clearly

.

<sup>(...</sup>continued)

<sup>2005,</sup> Petitions for Declaratory Ruling and Retroactive Waiver of 47 C.F.R. § 64.1200(a)(4)(iv) Regarding the Commission's Opt-Out Notice Requirement for Faxes Sent with the Recipient's Prior Express Permission, CG Docket Nos. 02-278, 05-338, Order, DA 15-976, at ¶ 13 (CGB 2015) ("August 2015 Order"); Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, Junk Fax Prevention Act of 2005, Petitions for Declaratory Ruling and Retroactive Waiver of 47 C.F.R. § 64.1200(a)(4)(iv) Regarding the Commission's Opt-Out Notice Requirement for Faxes Sent with the Recipient's Prior Express Permission, CG Docket Nos. 02-278, 05-338, Order, DA 15-1402, at ¶ 12 (CGB 2015) ("December 2015 Order").

<sup>&</sup>lt;sup>7</sup> 47 C.F.R. § 1.3; see also WAIT Radio v. FCC, 418 F.2d 1153 (D.C. Cir. 1969); appeal after remand, 459 F.2d 1203 (D.C. Cir. 1972), cert. denied, 409 U.S. 1027 (1972); Northeast Cellular v. FCC, 897 F.2d 1164 (D.C. Cir. 1990).

<sup>&</sup>lt;sup>8</sup> Rules and Regulations Implementing the Telephone Consumer Protection Act of 1991, Junk Fax Prevention Act of 2005, CG Docket Nos. 02-278, 05-338, Report and Order and Third Order on Reconsideration, 21 FCC Rcd 3787 (2006) ("Junk Fax Order").

<sup>&</sup>lt;sup>9</sup> Anda Commission Order at ¶ 24-27.

<sup>&</sup>lt;sup>10</sup> *Id.* at ¶ 21; *see also Bureau Order* at ¶ 12; 47 U.S.C. § 227(b)(2) ("The Commission shall prescribe regulations to implement the requirements of this subsection."); 47 C.F.R. § 1.2; *NCTA v. Brand X*, 545 U.S. 967, 980 (2005) ("Congress has delegated to the Commission the authority to 'execute and enforce' the Communications Act . . . and to 'prescribe such rules and regulations as may be necessary in the public interest to carry out the provisions' of the Act.") (citations omitted); *id.* at 983-84 ("[W]hether Congress has delegated to an agency the authority to interpret a statute does not depend on the order in which the judicial and administrative constructions occur. . . . Instead, the agency may . . . choose a different construction [than the court], since the agency remains the authoritative interpreter (within the limits of reason) of such statutes.").

within its waiver authority and does not "waive" the TCPA Plaintiffs' ability to sue a fax advertiser for alleged TCPA violations in a private right of action. The ultimate outcome of any private TCPA litigation, and the effect of any waiver thereupon, will be decided by the relevant court.

The Commission's clear authority to retroactively waive the Opt-out Requirement notwithstanding, the precise argument the TCPA Plaintiffs seek to advance in the Application is presently pending on appeal before the D.C. Circuit. Because the question of the Commission's authority to grant retroactive opt-out waivers will be ultimately decided by an appellate court and not the Commission, the Application is effectively moot insofar as it seeks to present those arguments to the Commission.

Because the Commission clearly possesses the authority to grant retroactive opt-out waivers to parties such as BLP, and because the arguments in the Application on this point are rendered moot by the ongoing D.C. Circuit appeal of this issue, the Commission should dismiss the Application with respect to these arguments.

II. BLP'S PETITION FOR RETROACTIVE WAIVER OF THE OPT-OUT REQUIREMENT WAS NOT UNTIMELY; THIS ARGUMENT AND OTHERS, WHICH ARE REHASHED IN THE APPLICATION, WERE PROPERLY CONSIDERED.

The TCPA Plaintiffs also argue that grant of the BLP retroactive opt-out waiver in the *Bureau Order* should be overturned because the BLP petition was filed after April 30, 2015. <sup>12</sup> As the Bureau made clear, however, April 30, 2015 was not a formal filing "deadline" for submitting petitions for retroactive waiver of the Opt-out Requirement. The Bureau explained in

4

<sup>&</sup>lt;sup>11</sup> Bais Yaakov of Spring Valley v. FCC, No. 14-1234 (D.C. Cir. 2014). The TCPA Plaintiffs also argue in the Application that the Anda Commission Order was based on insufficient evidence regarding industry confusion about the applicability of the Opt-out Requirement to faxes sent with prior express consent. This question is also pending before the D.C. Circuit in Bais Yaakov, and thus the corresponding arguments in the Application are likewise moot.

<sup>&</sup>lt;sup>12</sup> Application at 8-9.

the *Bureau Order* that "Commenters are mistaken in treating the April 30, 2015 date as a firm filing deadline. The Commission requested that parties 'make every effort' to file by that date. The only deadline imposed by the *2014 Anda Commission Order* is a deadline for compliance with the regulation."<sup>13</sup> As a result, the Bureau has found that granting petitions filed after April 30, 2015, by parties such as BLP, serves the public interest and "does not contradict the purpose or intent of the initial waiver order as the parties involved are similarly situated to the initial waiver recipients."<sup>14</sup>

The TCPA Plaintiffs argue that granting waiver requests filed after April 30, 2015 renders the Commission's "expectation" that parties seek to file by that date "mere surplusage" and that this "cannot be what the Commission intended when it stated the waivers were designed to offer 'temporary' relief." This argument fundamentally misunderstands what the Commission meant by "temporary relief." The relief accorded by retroactive opt-out waivers is temporary because the waivers only apply to allegedly noncompliant faxes sent before April 30, 2015. Before this date, the Commission found that a reasonable fax advertiser could be confused as to the applicability of the Opt-out Requirement to faxes sent with prior recipient consent; the Commission has been clear and consistent in stating that noncompliant faxes sent after April 30, 2015, violate the Commission's rules and are subject to private TCPA litigation and Commission enforcement actions. The Bureau's reading of the *Anda Commission Order* is the only reading that preserves sound and equitable public policy, as it treats similarly-situated parties equally.

\_

<sup>&</sup>lt;sup>13</sup> Bureau Order at ¶ 18, n.70 (italics in original) (internal citations omitted).

 $<sup>^{14}</sup>$  *Id.* at ¶ 18.

<sup>&</sup>lt;sup>15</sup> Application at 8, 9.

<sup>&</sup>lt;sup>16</sup> Anda Commission Order at  $\P$  1.

<sup>&</sup>lt;sup>17</sup> See id. at ¶ 29; August 2015 Waiver Order at ¶ 21; December 2015 Waiver Order at ¶ 19; Bureau Order at ¶ 19.

The TCPA Plaintiffs also seek to reintroduce information on the history of the private TCPA suit and BLP's retention of counsel therein to support their argument that April 30, 2015 should be treated as a formal filing deadline.<sup>18</sup> TCPA Plaintiffs' counsel raised these arguments in opposition to BLP's waiver petition, and they were rejected.<sup>19</sup>

The Bureau correctly concluded that the *Anda Commission Order* imposed no deadline for filing petitions for retroactive waiver of the Opt-out Requirement, and TCPA Plaintiffs' arguments, which were properly rejected by the Bureau, should be disregarded.

## III. CONCLUSION.

Because the Commission has previously considered and rejected the arguments raised by the TCPA Plaintiffs in the Application, and because certain of these arguments are mooted by pending litigation in the D.C. Circuit, the Commission should expeditiously dismiss the Application.

Respectfully submitted,

/s/ Jennifer L. Richter
Jennifer L. Richter
Steven A. Rowings
Akin Gump Strauss Hauer & Feld LLP
1333 New Hampshire Ave. NW
Washington, DC 20036
(202) 887-4524 (Tel)
jrichter@akingump.com

Counsel for Buccaneers Limited Partnership

December 19, 2016

\_

<sup>&</sup>lt;sup>18</sup> Application at 9. The TCPA Plaintiffs argue that BLP "clearly knew about the opportunity to seek a waiver prior to April 30, 2015" because they are represented in the underlying TCPA litigation by Latham & Watkins, which was the law firm that filed the Anda Petition. The TCPA Plaintiffs conveniently fail to mention, however, that attorneys from Latham & Watkins did not appear in the underlying TCPA case until well after April 30, 2015, a fact of which they should be well aware. *See* Agreed Motion to Appear *Pro Hac Vice* (Dkt. #187), *Cin-Q Automobiles, Inc., et al. v. BLP*, Case No. 8:13-cv-1592-17AEP (M.D. Fla. Filed July 20, 2015).

<sup>&</sup>lt;sup>19</sup> See Bureau Order at ¶ 18; see also Reply Comments of Buccaneers Limited Partnership, CG Docket Nos. 02-278, 05-338, at 9-12 (filed May 20, 2016).

## **CERTIFICATE OF SERVICE**

I, Ugxgp'C0Tqy kpi u, hereby certify that on December 1; , 2016, I caused a copy of the foregoing to be served by U.S. first-class mail, postage paid, upon each of the following:

Brian D. Weimer SHEPPARD MULLIN RICHTER & **HAMPTON LLP** 2099 Pennsylvania Ave NW Suite 100 Washington, DC 20006

David S. Almeida SHEPPARD MULLIN RICHTER & HAMPTON LLP 70 West Madison Street 48th Floor Chicago, Illinois 60602 Counsel to Virbac Corporation

John C. Kelly Keith Beauchamp COPPERSMITH BROCKELMAN PLC 2800 North Central Avenue **Suite 1200** Phoenix, Arizona 85004 Attorneys for AZCOMP Technologies, Inc.

William A. Chittenden, III David J. Novotny Joseph R. Jeffery Vittorio F. Terrizzi CHITTENDEN, MURDAY & NOVOTNY LLC 303 W. Madison Street **Suite 1400** Chicago, Illinois 60606 Attorneys for Humana Insurance Co. et al.

Laura H. Phillips DRINKER BIDDLE & REATH LLP 1500 K Street, N.W.

Washington, DC 20005-1209

Laura H. Phillips DRINKER BIDDLE & REATH LLP 1500 K Street, N.W. Washington, DC 20005-1209

Justin O. Kay Matthew M. Morrissey DRINKER BIDDLE & REATH LLP 191 N. Wacker Dr., Ste. 3700 Chicago, IL 60606-1698 Counsel to Fetch Inc. d/b/a Petplan

Steven L. Platt Tracy E. Stevenson Robbins, Salomon & Patt, Ltd. 180 N. LaSalle Street, Suite 3300 Chicago, IL 60601 Attorneys for Weinberg and Associates

Timothy L. Neufeld Erin E. Brady Yuriko M. Shikai **NEUFELD MARKS** 315 West Ninth Street, Suite 501 Los Angeles, California 90015 Attorneys for Posture Pro, Inc.

Brian D. Weimer SHEPPARD MULLIN RICHTER & **HAMPTON LLP** 2099 Pennsylvania Ave NW Suite 100 Washington, DC 20006

Justin O. Kay

DRINKER BIDDLE & REATH LLP 191 N. Wacker Dr., Ste. 3700 Chicago, IL 60606-1698 Attorneys for LKN Communications, Inc., d/b/a ACN, Inc. David S. Almeida SHEPPARD MULLIN RICHTER & HAMPTON LLP 70 West Madison Street 48<sup>th</sup> Floor Chicago, Illinois 60602

Counsel to Amatheon, Inc.

William E. Raney Kellie Mitchell Bubeck COPILEVITZ & CANTER LLC 310 W. 20<sup>th</sup> Street, Suite 300 Kansas City, Missouri 64108

Tyler R. Andrews GREENBERG TRAURIG, LLP 3161 Michelson Drive Irvine, CA 92612

Attorneys for Amsterdam Printing & Litho, Inc.

Counsel for Biolase, Inc

Joshua Briones

Jennifer L. Richter Lyndsey M. Grunewald AKIN GUMP STRAUSS HAUER & FELD, LLP 1333 New Hampshire Avenue, NW Washington, DC 20036

Esteban Morales MINTZ, LEVIN, COHN, FERRIS, GLOVSKY AND POPEO, P.C. 2029 Century Park E. Suite 1370 Los Angeles, CA 90067

Counsel for Buccaneers Limited Partnership

Counsel for Cartridge World North America, LLC

Cindy D. Hanson Ross D. Andre KILPATRICK TOWNSEND & STOCKTON LLP 1100 Peachtree St. NE, Suite 2800 Atlanta, GA 30309

Michael D. Leffel Eric J. Hatchell FOLEY & LARDNER LLP 150 East Gilman Street Madison, WI 53703

Counsel for HomeoPet

Counsel for Cochran Wholesale Pharmaceuticals, Inc.

Janet P. Jakubowicz

Gregory T. Everts QUARLES & BRADY LLP 33 East Main Street Suite 900 Madison, WI 53703

BINGHAM GREENEBAUM DOLL LLP 3500 National City Tower 101 South Fifth Street Lousiville, Kentucky 40202

Sarah R. Anchors

Counsel for Petitioner Jeana Fleitz LLC d/b/a X-Ray Lady

QUARLES & BRADY LLP One Renaissance Square Two North Central Avenue Phoenix, AZ 85004

Counsel for Defendant Inter-Med, Inc. d/b/a Vista Dental Products

Beth-Ann E. Krimsky Lawren A. Zann GREENSPOON MARDER, P.A. 200 East Broward Blvd, Suite 1800 Fort Lauderdale, FL 33301

Counsel for North American Bancard, LLC

Varon Dori Michael Beder COVINGTON & BURLING LLP One City Center 850 Tenth Street, NW Washington, DC 20001

Counsel for Roche Diagnostics Corporation and Roche Diabetes Care, Inc

Henry Pietrkowski Christine Czuprynski REED SMITH LLP 10 S. Wacker Drive 40<sup>th</sup> Floor Chicago, IL 60606

Counsel for Synchrony Bank d/b/a Carecredit and Synchrony Financial

Eric L. Samore

Lewis S. Wiener Wilson G. Barmeyer SUTHERLAND ASBILL & BRENNAN LLP 700 Sixth Street, NW Suite 700 Washington, DC 20001

Counsel for Legal & General America, Inc. and its Subsidiaries

Andrew Clubok J. Keith Kobylka KIRKLAND & ELLIS LLP 601 Lexington Avenue New York, NY 10022

P. Daniel Bond KIRKLAND & ELLIS LLP 300 N. LaSalle Street Chicago, IL 60622

Counsel for Power Products LLC

William B. Hayes 257 Jackson Street Denver, CO 80206

Counsel to Schwabe North America, Incorporated

Rachael G. Pontikes Emily L. Hussey DUANE MORRIS LLP 190 South LaSalle Street Suite 3700 Chicago, IL 60603

Counsel for Wedgewood Village Pharmacy, Inc

Aytan Y. Bellin

Erin A. Walsh SmithAmundsen LLC 150 N. Michigan Avenue, Suite 3300 Chicago, Illinois 60601

Counsel for C. Specialties, Inc. and Warner Chilcott

Daniel A. Edelman Heather Kolbus EDELMAN, COMBS, LATTURNER & GOODWIN, LLC 20 South Clark Street, Suite 1500 Chicago, Illinois 60603

Counsel for Dr. David L. Brouilette, D.C., S.C.

Daniel A. Edelman Julie Clark Heather Kolbus EDELMAN, COMBS, LATTURNER & GOODWIN, LLC 20 South Clark Street, Suite 1500 Chicago, Illinois 60603

Counsel for Charles Shulruff, DDS, West Loop Chiropractic & Sports Injury Center, Ltd, and West Loop Health & Sports Performance Center, LLC.

Timothy Condon 307 S. Fielding Avenue Suite #2 Tampa, FL 33606

Private Citizen

Glenn L. Hara ANDERSON & WANCA 3701 Algonquin Road Suite 500 Rolling Meadows, IL 60008

Counsel for certain TCPA Plaintiffs, including Lawrence S. Brodsky and JT's Frames, Inc.

BELLIN & ASSOCIATES LLC 50 Main Street Suite 1000 White Plains, New York 10606

Counsel for Bais Yaakov of Spring Valley

George D. Jonson Matthew Stubbs MONTGOMERY, RENNIE & JONSON 36 E. Seventh Street Suite 2100 Cincinnati, Ohio 45202

Counsel for Carradine Chiropractic Center, Inc.

Julie Wicks CORTEZ FOOT & ANKLE SPECIALISTS 1800 Cortez Road West Bradenton, FL 34207

Private Citizen

Phyllis J. Towzey 475 Central Avenue St. Petersburg, FL 33701

Private Citizen

Dated: Y cuj kpi vqp. 'F Œ 0 December 1; , 2016

> /s/ Ugxgp'C0Tqy kpi u Ugxgp'C0Tqy kpi u